

Verizon Supplier Guidelines for Reimbursement of Travel/Business Expenses

In addition to the foregoing compensation in Exhibit B, Supplier shall be reimbursed for reasonable expenses incurred by Supplier's personnel for transportation, lodging and meals during overnight trips, necessary for the performance of Supplier's Services under this Agreement. Reimbursement of such expenses shall be subject to the following conditions:

1. Qualifying Reimbursable Expenses

A) All reimbursable expenses shall be reviewed and agreed upon by Verizon and Supplier prior to the expenses being incurred by Supplier.

B) Supplier's employee shall not be reimbursed for any dry cleaning services, in-house movies, or any other type of entertainment while remaining overnight on business.

2. Documentation Requirements

A) Record Keeping - Suppliers should maintain a record of expenditures incurred in connection with Verizon business, whether traveling out of town or on local assignment

This record must be in sufficient detail so that each separate expenditure can be readily identified as a reimbursable business expense. This will require recording, at the time of expenditure, the nature of the expense, date incurred, amount, place, complete business purpose, and the name and business relationship of each participant.

B) Receipts - Suppliers claiming reimbursement for expenditures made by them shall obtain original receipts whenever possible. Photocopies* of such receipts should accompany all billing submitted to Verizon. Receipts are required for reimbursement of travel costs and the purchase of materials to complete business-related tasks.

*Verizon reserves the right to request original receipts.

3. Transportation Expenses

A) Suppliers are responsible for their own insurance, regardless of their mode of transportation.

B) Air and train travel shall be coach class, and where possible shall be scheduled to take advantage of any available discounts. Business class is acceptable for international travel.

?? Dues and/or initiation fees for airline clubs are not reimbursable by Verizon.

?? For rail travel in the Verizon regions, Amtrak unreserved and Metroliner coach services are acceptable. First preference should always be Amtrak unreserved service.

C) Car rentals should be made using intermediate cars or less and whenever possible with Verizon's contracted supplier.

?? Motor vehicle usage (personal or rented) will be reimbursed at the then current IRS mileage reimbursement rate.

- ?? Toll and parking expenses shall be reimbursed when incurred on behalf of Verizon business only.
- ?? Fines for traffic and parking violations are the responsibility of Supplier and will not be reimbursed by Verizon.

4. Meal Expenses

A) When performance of Services hereunder requires an employee of Supplier to work at a Verizon designated location and to remain overnight, Verizon will reimburse Supplier for up to two meals/day (breakfast and dinner) for the employee of Supplier according to the following table (up to a maximum) of:

- ?? \$75.00/day - New York City (Manhattan)
- ?? \$65.00/day - The metropolitan areas of the New York boroughs and Westchester County, Washington D.C., Boston, Philadelphia, Chicago, Los Angeles, San Francisco, San Jose, San Diego and Honolulu.
- ?? \$45.00/day - Dallas and all other areas.

B) Suppliers traveling on Verizon business for the day only (not overnight) will be reimbursed for personal meals (excluding lunch) when the Supplier's necessary early departure or late return exceeds two hours from the normal work hours and results in morning or evening meal expenses that would not otherwise have been incurred.

C) Reasonable gratuity expenses (15% on meal guest check) are reimbursable so long as the total does not exceed the Daily maximum expense allowed.

5. Lodging

A) Verizon has negotiated preferred rates at various hotels that should always be given priority in order to achieve best cost savings for Verizon. However, Suppliers are allowed to deviate from this guideline if a hotel property is identified that meets their requirements and offers a lower than Verizon preferred rate.

B) Original, detailed receipts are required for all lodging expenses.

?? Reasonable valet, laundry and Maid service expenses are reimbursable on a trip of five (5) consecutive nights or more.

?? Reasonable gratuity expenses (1.00 per bag porter fee) are reimbursable.

6. Other Relation Expenses

A) Telephone expenses are reimbursable in conjunction with a Verizon job assignment. Copies of phone bills must be submitted with invoices.

7. Expenses which are not reimbursable

A) The following list contains some (but not all) examples of expenses which shall not be reimbursed by Verizon:

?? Charges for hotel rooms that are not canceled due to Supplier neglecting to cancel the reservation.

?? Barber, hairstylist, manicurist, shoe shine, masseur services

?? Health spas or health spa activities.

- ?? Entertainment expenses such as airline headsets, theater, in-room movies, sporting events or other personal amusements.
- ?? Newspaper and magazine subscriptions and audiocassette tapes.
- ?? Expenses for spouses, other family members, or other individuals who are not working on behalf of a Verizon project.

8. Invoicing Reimbursable Expenses

Only those expenses pre-approved in writing by Verizon are reimbursable. All invoices for expense reimbursement shall include **all** required supporting documentation, an invoice number and reference the Supplier's contract number.

No other expenses will be paid unless mutually agreed upon by both Verizon and Supplier prior to the expense being incurred